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Debtors and Debtors in Possession

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF WASHINGTON

In re

EASTERDAY RANCHES, INC., *et al.*

Debtors.¹

Chapter 11

Lead Case No. 21-00141-WLH11
Jointly Administered

**STIPULATION BY AND BETWEEN
DEBTOR EASTERDAY FARMS AND
WASHINGTON TRUST BANK (I)
RESOLVING MOTION TO APPOINT
TRUSTEE FILED BY WASHINGTON
TRUST BANK AND (II) IMPOSING
CERTAIN MILESTONES**

¹ The Debtors along with their case numbers are as follows: Easterday Ranches, Inc., (21-00141) and Easterday Farms, a Washington general partnership (21-00176).

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WASHINGTON TRUST BANK'S
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1 Debtor Easterday Farms, a Washington General Partnership (“Farms”) and
2 Washington Trust Bank (“WTB”, and together with Farms, the “Parties”), by and through
3 their undersigned counsel of record, hereby enter into this stipulation and agreed order
4 (the “Stipulation”), pursuant to which the Parties stipulate and agree as follows:

5 **WHEREAS**, on February 1, 2021, Debtor Easterday Ranches, Inc. (“Ranches”)
6 filed a voluntary petition for relief under chapter 11 of Title 11 of the United States
7 Code (the “Bankruptcy Code”) before the United States Bankruptcy Court for the
8 Eastern District of Washington, Yakima Division.

9 **WHEREAS**, on February 8, 2021, Farms also filed a voluntary petition for relief
10 under chapter 11 of the Bankruptcy Code.

12 **WHEREAS**, on February 8, 2021, Tyson Fresh Meats, Inc. (“Tyson”) filed that
13 certain *Motion for Appointment of Chapter 11 Trustee* [Docket No. 79] (the “Tyson
14 Trustee Motion”), seeking, *inter alia*, to appoint a chapter 11 trustee over Ranches’
15 chapter 11 estate.

16 **WHEREAS**, on February 19, 2021, WTB filed that certain *Washington Trust*
17 *Bank’s Motion to Appoint Ch. 11 Trustee and Joinder in Tyson Fresh Meat, Inc. Motion*
18 *for Appointment of Chapter 11 Trustee* [Docket No. 177] (the “WTB Trustee Motion”),
19 seeking to appoint a chapter 11 trustee over Farms’ chapter 11 estate and joining the
20 Tyson Trustee Motion.

22 **WHEREAS**, on February 25, 2021, Ranches filed that certain *Notice and Motion*
23 *of Debtor Easterday Ranches, Inc. for the Entry of an Order Authorizing and Approving*
24 *Settlement Terms Sheet with Tyson Fresh Meats, Inc.; Memorandum of Points and*
25 *Authorities* [Docket No. 216] (the “Ranches Settlement Motion”), which requested

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28 WASHINGTON TRUST BANK’S
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1 court approval of, *inter alia*, a comprehensive settlement between Ranches and Tyson
2 regarding the Tyson Trustee Motion and imposing certain case milestones on Ranches
3 (the “Ranches Milestones”). The Ranches Settlement Motion is set to be heard by the
4 court on March 3, 2021 at 11:00 a.m.

5 **Based on the foregoing recitals, the Parties hereby stipulate and agree as**
6 **follows:**

7 1. Withdrawal of the WTB Trustee Motion. Upon any order entered by the
8 court approving the terms of this Stipulation, the WTB Trustee Motion shall be deemed
9 withdrawn in every respect.

10 2. The Farms Case Milestones. The Ranches Milestones, more particularly
11 described as follows,² shall apply to Farms, subject in every respect to the court’s entry
12 of an Order approving this Stipulation:

13 a. WTB acknowledges that Skye Root of Root Agricultural Advisory is
14 an acceptable broker and/or real estate agent to assist Farms to sell its
15 real estate assets through one or more sales under section 363 of the
16 Bankruptcy Code; no later than March 26, 2021, Farms must file an
17 application seeking approval of the retention of such person(s); and no
18 later than 45 days after the date of filing of such application, an
19 approval order must be entered.

20 b. No later than March 26, 2021, Farms must file a motion for approval of
21 sale procedures related to the sale of substantially all of Farms’ real
22 assets.

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² To the extent of any conflict with the Ranches Milestones or any term of the Ranches
26 Settlement Motion, the terms of this Stipulation shall control as to Farms.

estate assets (the “Sale Procedure Motion”). Farms must obtain an order from the court approving the Sale Procedure Motion no later than 45 days after filing the Sale Procedure Motion.

- c. No later than June 15, 2021, Farms must file a motion for approval of the sale (through one or more sales) of substantially all of Farms' real estate assets; and no later than July 15, 2021, Farms must obtain an order from the court approving such sale(s).
 - d. No later than July 1, 2021, Farms must file a chapter 11 plan of reorganization (a "Plan") an accompanying disclosure statement (a "Disclosure Statement"). The court must enter an order approving a Disclosure Statement on or before August 15, 2021, and must enter an order confirming a Plan no later than October 15, 2021, and the effective date of a Plan must have occurred on or prior to the date which is 30 days after entry of an order confirming a Plan.

3. Non-Real Estate Assets. Farms and WTB shall endeavor in good faith to reach agreement for the prompt sale of all non-real estate assets to the extent any such assets remain unsold following the close of all real estate sales set forth in Paragraph 2 herein.

4. WTB Trustee Motion Abeyance. Unless and until the Debtors fail to satisfy one of the milestones set forth in Paragraph 2 herein, WTB shall not, in either or both of the Debtors' cases, (a) renew or seek to renew its request to appoint a chapter

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11 trustee or (b) support any other party in interest with respect to such party's request
2 to appoint a chapter 11 trustee.

3 5. Immediate Effect of this Stipulation Upon the Court's Approval.
4 Notwithstanding anything to the contrary in the Bankruptcy Code, the Federal Rules of
5 Bankruptcy Procedure, of the Local Bankruptcy Rules, the effectiveness of this
6 Stipulation shall not be stayed in any respect. The Stipulation shall be effective
7 immediately upon entry.

9 6. Binding Effect. This Stipulation is binding upon the Parties, their
10 successors, assigns, affiliates, officers, directors, shareholders, partners, investors,
11 members, employees, agents, and professionals.

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27 **STIPULATION RESOLVING**
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1 7. Jurisdiction. The court shall retain sole and exclusive jurisdiction to hear
2 and determine all matters arising from or relating to the interpretation and/or
3 enforcement of this Stipulation.

4 **IT IS SO STIPULATED, THROUGH COUNSEL OF RECORD**
5

6 DATED March 2, 2021

BUSH KORNFELD LLP

7 */s/ Thomas A. Buford*
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14 *Proposed Attorneys for Debtors and Debtors in
Possession*

16 DATED March 2, 2021

LUKINS & ANNIS, P.S.

17 */s/ Trevor R. Pincock*
18 TREVOR R. PINCOCK (WSBA 36818)
19 LUKINS & ANNIS, P.S.

20 *Attorneys for Washington Trust Bank*

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